

NEW

As at October 31, 2011

COMMERCE Split

Monthly Update

New Commerce Split Corp is an Investment Corporation that invests in common shares of Canadian Imperial Bank of Commerce, a Canadian financial institution. Three types of shares are available, a Capital share, a Class I Preferred and a Class II Preferred.

Capital Share (YCM)

The Capital Shares participate in any net asset value growth over \$10 per unit. These shares are highly leveraged to any change in the value of the CIBC common shares. In addition, dividends would be paid if and when the net asset value exceeds \$15.00.

Class I Preferred Share (YCM.PR.A)

Class I Preferred Shares receive cumulative monthly dividends to yield 7.5% of its \$5 par value. These shares have excellent asset coverage and their dividends are covered by dividends received on the underlying portfolio.

Class II Preferred Share (YCM.PR.B)

The Class II Preferred Shares have a par value of \$5 and are entitled to the assets of the company above \$5 per unit to a maximum of \$5. In addition, the Class II Preferred Shares are entitled to receive dividends at a rate of 7.5% once the net asset value of the company exceeds \$12.50.

Note: On March 26, 2010 a Capital Reorganization of Commerce Split was completed. Two funds were created, Original Commerce Split and New Commerce Split. For complete details, please [click here](#) to view the Information Circular dated December 23, 2009.

Commentary

October was an exceptional month for the North American financial markets, despite uncertainties of spillover effects of the debt crisis surrounding the Eurozone countries. Market sentiment and performance continued to be dictated by macroeconomic and political events during the month. Increased market volatility was observed as European leaders hammered out an agreement intended to stabilize the Greek sovereign debt crisis. Global markets rallied sharply toward the end of the month as investors welcomed the specific details contained in the Greece bailout plan. The extent of extremely positive market reaction underlies the importance of resolving the Eurozone debt crisis to the financial markets. The potential success of this plan and future actions to deal with the Greek sovereign debt crisis and other distressed Eurozone countries will have a significant impact on global financial markets. In addition, investors will also continue to focus on U.S. efforts to deal with extraordinary large and growing government deficits.

Notwithstanding overall macro concerns, valuations remain relatively attractive in this low interest rate environment. The valuations of the companies in the portfolio generally remain at very reasonable levels when measured by price to earnings ratios and current dividend yields and this should continue to act as a major support at these current market prices. Due to increased market volatility in the recent months, the covered call writing program has added a higher level of income to supplement dividend income earned in the portfolio.

	One Month to Oct 31, 2011	Year to Date Oct 31, 2011
TSX	5.40%	-8.86%
S&P 500	10.77%	-0.35%
DJII	9.54%	3.26%
NASDAQ	11.14%	1.19%

Distributions (by record date)

	YCM	YCM.PR.A	YCM.PR.B	Total
Total to Date	\$0.0000	\$0.6250	\$0.0000	\$0.6250
2011 YTD	\$0.0000	\$0.3125	\$0.0000	\$0.3125
2010	\$0.0000	\$0.3125	\$0.0000	\$0.3125

Details

Units Outstanding:	3,684,743
Inception Date:	February 16, 2007
Capital Reorganization Date:	March 26, 2010
Termination Date:	December 1, 2014
Net Asset Value:	\$9.73
Cash Weighting:	10%
Canadian Equity Weighting:	90%
YCM.PR.A Trading Price:	\$5.29
Current Yield*:	7.1%
Market Capitalization:	\$19,492,290
<i>*Last distribution annualized.</i>	
YCM.PR.B Trading Price:	\$2.97
Market Capitalization:	\$10,943,687
YCM Trading Price:	\$0.73
Market Capitalization:	\$2,689,862

Holding

Symbol

Canadian Imperial Bank of Commerce	CM
------------------------------------	----



CIBC Company News

CIBC % return for Oct 2011:	2.3%
CIBC % return year-to-date 2011:	-4.1%
Dividend Yield on CIBC shares:	4.79%